



Ireland-Wales Programme 2007 – 2013

Good Practice Guide No. 1- Public Procurement

Introduction

This Guide sets out the procurement processes and thresholds that projects funded by the Ireland-Wales Programme must adhere to.

It explains National rules issued by the Department of Finance (Ireland) and the Welsh European Funding Office (WEFO), as well as European Union thresholds.

What is Public Procurement?

“Public Procurement can be defined as the acquisition, whether under formal contract or not, of works, supplies and services by public bodies. It ranges from the purchase of routine supplies or services to formal tendering and placing contracts for large infrastructure projects by a wide range of contracting authorities”. (Circular 12/2008 Irish Department of Finance).

Value for money should be a major consideration in purchasing goods and services – obtaining the most advantageous price available consistent with quality and fitness for purpose.

Public Procurement Process

During the implementation of a project, every partner will buy goods and services, and whenever purchases are made, contracts awarded, or external suppliers are involved in a project, National and EU procurement rules must be observed. These rules are intended to ensure transparent and fair competition within the common market and aim to achieve value for money.

In terms of documents to retain, projects should document the entire process, including (but not limited to) the brief/specification of goods/services required, the selection criteria adopted, the quotes/tenders submitted and the rationale for selection of the provider where the lowest bid is not selected.

The Lead Partner is responsible for ensuring compliance with public procurement procedures for the entire partnership, and must ensure both EU and national rules are strictly adhered to.

National Thresholds (excluding VAT)

For all purchases below the EU threshold the national thresholds in Sections A and B must be applied. All figures quoted are exclusive of VAT. If a tender is very close to the next threshold level above, it is prudent to apply the more stringent procedures as costs may rise before the final payment is made.

During First Level Control, and in particular during on-the-spot inspections, Controllers will check that projects/operations are in compliance with all National and EU public procurement requirements.

EU Thresholds (excluding VAT)

In addition to the National Rules, the Lead Partner must have regard to EU procurement thresholds, and in certain cases an invitation to tender must be placed in the Official Journal of EU (OJEU) in addition to the Regional Advertising. The EU thresholds are set out in Section C. The Lead Partner

should refer all cases which exceed the national thresholds to the JTS in Waterford for further guidance.

Partners should be aware that the OJEU process can be lengthy.

Irish Partners

Public Procurement guidelines are available on the public sector procurement web site:

www.e-tenders.gov.ie

Contracts valued at >€50,000 can be advertised on the e-tenders web site as it meets national advertising requirements.

Welsh Partners

www.buy4wales.co.uk should be used. Before undertaking any activity sponsors will need to have an account for the website; to open an account you must contact the buy4wales support team – support@buy4wales.co.uk. The team will establish the account and provide information on how to get started. Welsh national thresholds are detailed in section B.

Within www.buy4wales.co.uk a full user guide can be downloaded.

Tendering Principles

When tendering for items or services it is important that:

- You establish a need.
- You decide on the specification of the items/services required.
- You establish selection criteria.
- You start the tendering procedure on time.
- The same list of items and/or services is presented to all companies.
- Tenders are opened at the same time and no advance knowledge of bids is made available to anyone. A suitably qualified individual must supervise the process.
- The selection criteria must not be changed after the tender documents are received.
- Evidence of the entire process must be maintained on file, including the unsuccessful tender documents.
- Documentation including notes of decisions and assessment of tenders must be retained.
- Receipts, invoices and copies of all bids are retained for inspection.

Single Tender Action

If there is only one possible supplier or other circumstances that make it impractical or inappropriate to seek competitive quotes, the agreement of the JTS must be obtained before going ahead with the purchase.

Advertising

The Lead Partner should ensure that advertisements are placed in the regional press. Consideration must be given to advertising in both Members States where possible. All advertisements should appropriately acknowledge the EU funding being provided in line with the Ireland-Wales Programme – Communications Guidelines 2007 – 2013 (see programme web site www.irelandwales.ie)

Criteria for Scoring

The criteria for scoring should be set out clearly and should be relevant to the goods/services.

Section A: Irish National Public Procurement Rules

<i>Estimated Order Value (excluding VAT)</i>	<i>Quotations/Tenders Required</i>	<i>Minimum Documentation to Retain</i>
Up to €5,000	1 or more competitive quotes, select the most suitable offer.	<ul style="list-style-type: none"> ▪ Evidence that quotations were sought ▪ Written confirmation of prices (fax/email/letter)
Between €5,000 and €50,000	<p>At least 3 written quotes.</p> <p>Contract details should be sent to at least 3 suppliers.</p>	<ul style="list-style-type: none"> ▪ Evidence that appropriate number of quotes were sought. ▪ Documentation and/or Terms of Reference sent to all potential bidders/suppliers. ▪ All tenders received and evidence they were received within the specified timeframe (date stamped) ▪ Notes of assessment of tenders including signed scoring, minutes of discussion and names of assessment panel members. The reason for selecting the successful supplier must be stated. ▪ Correspondence with the successful and unsuccessful bidders/suppliers. (Unsuccessful bidders should be notified before the contract is formally awarded to the successful party). ▪ Contract or equivalent awarded to winning tender. ▪ Documented changes or addendums to contract.
Contracts above €50,000 and up to the value of EU thresholds	<p>Full Tender Process</p> <p>Publication on the e-tenders.gov.ie web site generally meets national advertising requirements.</p> <p>Contracts may also be advertised elsewhere and if you so wish, in the Official Journal of EU (OJEU).</p>	<p>All of the above and in addition:</p> <ul style="list-style-type: none"> ▪ Copy of advertisements placed on e-tenders.gov.ie or elsewhere.

Section B: Welsh National Public Procurement Rules

<i>Estimated Order Value (excluding VAT)</i>	<i>Quotations/Tenders Required</i>	<i>Award Procedure</i>
£4,999 or below	1 written Quote.	Purchase Order
£5,000 to £24,999.99	3 written Quotes.	Purchase Order
£25,000 to £90,319	Formal Tender Process. Minimum of 3 Bids.	Contract Award Letter
£90,319 plus	EU Procurement Process for goods and services	Contract Award Letter
£3,497,313 and over	EU Procurement Process for Works Contracts. Unlikely to apply to Ireland-Wales projects; if it does, contact the JTS immediately	Contract Award Letter

Further information on Welsh procurement requirements is available on the Welsh European Funding Office web site.

<http://www.wefo.wales.gov.uk/resource/090209sponsorshippartnershipprocurementguidanceen8162.pdf>

Section C: EU Thresholds

The main advertising thresholds with effect from 1 January 2008 to 31 December 2009 are as follows:

EU Thresholds and Above (excluding VAT) – Applicable from 1 January 2008 to 31 December 2009		
Estimated Value of Order (excluding VAT)	Quotations/Tenders Required	Minimum Documentation to Retain
<p><u>Works</u> Contract Notice €5,150,000 Threshold applies to Government Departments, Local & Reg. Authorities & other public bodies.</p> <p><u>Supplies/Services</u> Contract €133,000 Threshold applies to Government Departments and Offices Contract €206,000 Threshold applies to Local & Regional Authorities and public bodies outside the Utilities sector.</p> <p><u>Utilities</u> Works Contracts €5,150,000 For entities in Utilities sectors covered by the Government Procurement Agreement (GPA)</p> <p>Supplies & Services €412,000 For entities in Utilities sectors covered by Government Procurement Agreement (GPA)</p>	<p>Full Tender</p> <p><u>Action</u></p> <ol style="list-style-type: none"> 1. Invite at least 5 tenders. 2. Advertisement in at least 2 regional newspapers; at least 1 from each relevant jurisdiction. 3. Invitation to tender placed in Official Journal of EU. 4. Advertise on the e-tenders web site (Irish Partners) or buy4Wales web site (Welsh Partners). 5. Award the contract on the basis of highest scoring tender 	<p>As detailed under National thresholds above and in addition:</p> <p>Copy of advertisements in newspapers.</p> <p>Copy of invitation to tender placed in Official Journal of EU.</p> <p>Copy of advertisement in e-tenders web site or buy4wales web site.</p>

Further information is available from the following web sites:

Department of Finance <http://www.finance.gov.ie>

Welsh European Funding Office <http://www.wefo.wales.gov.uk>

European Commission <http://ec.europa.eu/>

INTERACT <http://www.interact-eu.net/>

Or please make contact with the JTS at the following address:

Joint Technical Secretariat (JTS)
Ireland-Wales Programme 2007 - 2013,
Southern and Eastern Regional Assembly,
3rd Floor, Old Port of Waterford Building,
2 George's Street,
Waterford,
Ireland.

Tel. (+353) 51 318100

Email – controllers@seregassembly.ie

Web site – www.irelandwales.ie

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